



# National Child Care Information Center

*A service of the Child Care Bureau*

NCCIC

10530 Rosehaven Street, Suite 400

Fairfax, Virginia 22030

Phone: (800) 616-2242 Fax: (800) 716-2242 TTY: (800) 516-2242

World Wide Web: <http://nccic.org>

## FEDERAL and STATE FUNDING for EARLY CARE and EDUCATION

The following table summarizes available data for the major Federal and State early care education funding streams in the United States.

Programs	Funding	Number of Children Served	Comments
<b>Federal</b>			
Head Start/Early Head Start	\$6.8 billion <sup>1</sup> [Expenditure FY 2004]	905,851 <sup>2</sup> [FY 2004]	Head Start and Early Head Start programs are administered by the Head Start Bureau. They are child-focused programs that serve children from birth to age 5, pregnant women and their families, and have the overall goal of increasing the school readiness of young children in low-income families. In FY 2004, nearly \$677 million was used to support more than 650 programs that provide Early Head Start, child development, and family support services in all 50 states, the District of Columbia, and Puerto Rico. These programs served nearly 62,000 children under the age of 3. <a href="http://www2.acf.dhhs.gov/programs/hsb/">http://www2.acf.dhhs.gov/programs/hsb/</a>
Child Care and Development Fund (CCDF)	\$4.8 billion <sup>3</sup> [Expenditure FY 2004]	1,732,500 <sup>4</sup> (average monthly) [FY 2004- Preliminary Estimates]	CCDF assists low-income families, families receiving temporary public assistance, and those transitioning from public assistance in obtaining child care so they can work or attend training/education. CCDF serves children under the age of 13; however, some states may elect to serve children age 13 to 19 who are physically or mentally incapacitated or under court supervision. In FY 2003, 63 percent of children served were between birth to 5 years, and 35 percent were between 6 and 13 years. <a href="http://www.acf.hhs.gov/programs/ccb/geninfo/index.htm">http://www.acf.hhs.gov/programs/ccb/geninfo/index.htm</a>

Programs	Funding	Number of Children Served	Comments
Temporary Assistance for Needy Families (TANF)	\$1.8 billion (transfer) <sup>5</sup> \$1.7 billion (direct) <sup>6</sup> [Expenditure FY 2003]	NA	TANF provides grants to states, territories, or tribes to assist needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. States may transfer TANF funds to CCDF or directly spend funds on child care. <a href="http://www.acf.dhhs.gov/programs/ofa/">http://www.acf.dhhs.gov/programs/ofa/</a>
Early Intervention Program for Infants and Toddlers with Disabilities	\$444 million <sup>7</sup> [Appropriation FY 2004]	272,000 <sup>8</sup> [FY 2004]	The Program for Infants and Toddlers with Disabilities (Part C of IDEA) is a Federal grant program administered by the Office of Special Education Programs (OSEP) that assists states in operating a comprehensive statewide program of early intervention services for infants and toddlers with disabilities, ages birth through 2 years, and their families. <a href="http://www.ed.gov/about/offices/list/osers/osep/index.html">http://www.ed.gov/about/offices/list/osers/osep/index.html</a>
Preschool Grants for Children with Disabilities	\$388 million <sup>9</sup> [Appropriation FY 2004]	647,000 <sup>10</sup> [School Year 2002-2003]	The Preschool Grants Program, authorized under Section 619 of Part B of IDEA and administered by the Office of Special Education Programs (OSEP) was established to provide grants to states to serve young children with disabilities, ages 3 through 5 years. <a href="http://www.ed.gov/about/offices/list/osers/osep/index.html">http://www.ed.gov/about/offices/list/osers/osep/index.html</a>
21 <sup>st</sup> Century Community Learning Centers	\$991 million [Appropriation FY 2005] <sup>11</sup>	1,320,000 students were served [FY 2004] <sup>12</sup>	This program is now a State formula grant. It was formerly a discretionary grant program under the Improving America's Schools Act. Under the reauthorized authority, funds flow to States based on their share of Title I, Part A funds. States use their allocations to provide competitive awards to eligible entities. The purpose is to provide expanded academic enrichment opportunities for school-age children attending low-performing schools. <a href="http://www.ed.gov/programs/21stcclc/index.html">http://www.ed.gov/programs/21stcclc/index.html</a>

Programs	Funding	Number of Children Served	Comments
Even Start	\$226 million <sup>13</sup> [Appropriation FY 2005]	50,000 families <sup>14</sup> [FY 2003-2004]	The Even Start Family Literacy Program addresses the basic educational needs of parents and children up to age 8 from low-income families by providing a unified program of (1) adult basic or secondary education and literacy programs for parents, (2) assistance for parents to effectively promote their children's educational development, and (3) early childhood education for children. <a href="http://www.ed.gov/programs/evenstartformula/index.html">http://www.ed.gov/programs/evenstartformula/index.html</a>
Title I Preschool	\$200 million <sup>15</sup> [Appropriation FY 2002]	300,000 <sup>16</sup> [FY 2002]	Many school districts support preschool programs with their Title I (Education for the Disadvantaged) funds. In FY 2002, the Department of Education estimated that about 2–3 percent of Title I funds, or approximately \$200 million, was used for this purpose. Title I preschool programs help more than 300,000 children in high-poverty communities enter kindergarten with the skills they need to succeed in school. <a href="http://www.ed.gov/programs/titleiparta/index.html">http://www.ed.gov/programs/titleiparta/index.html</a>
Social Services Block Grant (SSBG)	\$164.5 million <sup>17</sup> [Expenditure FY 2003]	NA	SSBG funds a broad range of social services and is a significant Federal funding source for child care. SSBG expenditure on child care includes \$74.3 million SSBG allocation for child care and \$90.2 million TANF transfers to SSBG. <a href="http://www.acf.hhs.gov/programs/ocs/ssbg/docs/">http://www.acf.hhs.gov/programs/ocs/ssbg/docs/</a>
Early Reading First	\$ 104 million <sup>18</sup> [Appropriation FY 2005]	NA	Early Reading First provides competitive grants to school districts and pre-school programs that fund the development of model programs to support the school readiness of preschool-aged children, particularly those from low-income families. <a href="http://www.ed.gov/programs/earlyreading/index.html">http://www.ed.gov/programs/earlyreading/index.html</a>

Programs	Funding	Number of Children Served	Comments
State			
Child Care	\$2.2 billion <sup>19</sup> [Expenditure FY 2004]	NA	States typically fund child care in conjunction with the CCDF block grant requirements. There is no current and complete estimate of all state funding for child care; however, state expenditures used to meet CCDF Matching Fund and Maintenance of Effort (MOE) requirements are reported. <a href="http://www.acf.hhs.gov/programs/ccb/geninfo/index.htm">http://www.acf.hhs.gov/programs/ccb/geninfo/index.htm</a>
Prekindergarten	\$2.54 billion <sup>20</sup> [Expenditure School Year 2002-2003]	740,000 <sup>21</sup> [School Year 2002-2003]	States have started creating programs to increase access, improve quality, and invest public resources in preschool education. Forty states funded preschool programs in 2001-2002. <a href="http://nieer.org/yearbook/">http://nieer.org/yearbook/</a>

NA= Not Available

The National Child Care Information Center does not endorse any organization, publication, or resource.

<sup>1</sup> Head Start Bureau. (2005). *Head Start program fact sheet: Fiscal year 2004*. Retrieved June 28, 2005, from <http://www.acf.hhs.gov/programs/hsb/research/2005.htm>

<sup>2</sup> Head Start Bureau. (2005). *Head Start program fact sheet: Head Start enrollment history*. Retrieved June 28, 2005, from <http://www.acf.hhs.gov/programs/hsb/research/2005.htm>

<sup>3</sup> Child Care Bureau. (2005). *Fiscal year 2004 Child Care and Development Fund summary of expenditure by categorical items*. Retrieved July 25, 2005, from <http://www.acf.hhs.gov/programs/ccb/research/04acf696/table1.htm>

<sup>4</sup> Child Care Bureau. (2005). *Child Care and Development Fund preliminary estimates: average monthly adjusted number of families and children served (FFY 2004)*. Retrieved July 25, 2005, from <http://www.acf.hhs.gov/programs/ccb/research/04acf800/table1.htm>

<sup>5</sup> Office of Family Assistance. (2004). *Table A - Combined federal funds spent in FY 2003: Spending from federal TANF grant in FY 2003 through the fourth quarter*. Retrieved June 28, 2005, from [http://www.acf.hhs.gov/programs/ofs/data/tableA\\_spending\\_2003.html](http://www.acf.hhs.gov/programs/ofs/data/tableA_spending_2003.html)

<sup>6</sup> Office of Family Assistance. (2004). *Table A - Combined federal funds spent in FY 2003 through the fourth quarter: Summary of expenditures on assistance in 2003 and Table A - Combined federal funds spent in FY 2003 through the fourth quarter: Expenditures on non-assistance in 2003*. Retrieved June 28, 2005 from [http://www.acf.hhs.gov/programs/ofs/data/tableA\\_summary\\_2003.html](http://www.acf.hhs.gov/programs/ofs/data/tableA_summary_2003.html) and [http://www.acf.hhs.gov/programs/ofs/data/tableA\\_expend\\_2003.html](http://www.acf.hhs.gov/programs/ofs/data/tableA_expend_2003.html)

<sup>7</sup> National Early Childhood Technical Assistance Center. (2004). *Annual appropriations and number of children served under Part C of IDEA, federal fiscal years 1987–2005*. Retrieved June 28, 2005, from <http://www.nectac.org/partc/partcdata.asp>

<sup>8</sup> Ibid.

<sup>9</sup> U.S. Department of Education, Office of Special Education and Rehabilitative Services. (n.d.). *Preschool Grants for Children with Disabilities: Funding status, fiscal year 2004*. Available on the Web at <http://www.ed.gov/programs/oseppsg/funding.html>

- 
- <sup>10</sup> National Early Childhood Technical Assistance Center. (n.d.). *Section 619—Preschool program federal appropriations and national child count, 1977–2003*. Retrieved June 28 2005, from <http://www.nectac.org/~pdfs/growthcomp.pdf>
- <sup>11</sup> U.S. Department of Education. (2005). *21st Century Community Learning Centers: Funding status, 2005*. Retrieved July 6, 2005, from <http://www.ed.gov/programs/21stccclc/funding.html>
- <sup>12</sup> General Services Administration. (2005). 84.287 Twenty-First Century Community Learning Centers. In *Catalog of Federal Domestic Assistance*. Available from the Catalog of Federal Domestic Assistance Web site, <http://12.46.245.173/cfda/cfda.html>
- <sup>13</sup> Office of Elementary and Secondary Education. (n.d.). *Even Start: Funding status, 2005*. Retrieved June 28, from <http://www.ed.gov/programs/evenstartformula/funding.html>
- <sup>14</sup> Office of Elementary and Secondary Education. (n.d.). *Even Start facts and figures: Estimated number of families served, FY 2003-2004*. Retrieved June 28, 2005, from at <http://www.ed.gov/about/offices/list/oese/sasa/esfacts.html>
- <sup>15</sup> The White House. (2003, September). *Good Start, Grow Smart!, The Bush Administration's Early Childhood Initiative, Executive summary*. Retrieved June, 28, 2005, from <http://www.whitehouse.gov/infocus/earlychildhood/earlychildhood.pdf>
- <sup>16</sup> Ibid.
- <sup>17</sup> Office of Community Services. (n.d.). "Table 2-1: Expenditures by service, 2003." In *Annual Report on Expenditures and Recipients 2003*. Retrieved July 25, 2005, from <http://www.acf.hhs.gov/programs/ocs/ssbg/annrpt/2003/index.html>
- <sup>18</sup> Office of Elementary and Secondary Education. (n.d.). *Early Reading First: Funding status, 2005*. Retrieved June, 28, 2005, from <http://www.ed.gov/programs/earlyreading/funding.html>
- <sup>19</sup> Child Care Bureau. (2005). *Fiscal year 2004 Child Care and Development Fund summary of expenditure by categorical items*. Retrieved July 25, 2005, from <http://www.acf.hhs.gov/programs/ccb/research/04acf696/table1.htm>
- <sup>20</sup> Barnett, W. S., Hustedt, J. T., Robin, K. B., & Schulman, K. L. (2004). *The state of preschool: 2004 state preschool yearbook* [Electronic version]. Retrieved June 28, 2005, from <http://nieer.org/yearbook/pdf/yearbook.pdf>
- <sup>21</sup> Ibid.